

Report of the Augusta County Agricultural Task Force

An Industry at Risk



FINDINGS

and

RECOMMENDATIONS

December 29, 2005

Foreword

Mr. F. James Bailey, Jr. Chairman of the Augusta County Board of Supervisors convened the Agricultural Task Force (*Appendix A*) on February 24, 2005 and reiterated the importance of this work to the future of agriculture in Augusta County. The task force was charged to provide input to the County on sustaining agriculture, to evaluate what is being done, to review ordinances and policies, and to make recommendations to the Board of Supervisors within nine months. The goal statement provided to the task force was to identify major challenges facing agriculture in Augusta County and recommend ways to assure the future of a strong agricultural economy over the next several decades. The goal statement was amended by the task force to identify major challenges facing agriculture in Augusta County and recommend ways to assure the future by preserving and promoting a strong agricultural economy over the next several decades.

The task force met regularly on the first and third Thursdays of each month at 7:00 p.m. at the Augusta County Government Center and conducted a total of 22 sessions. Activities of the task force included a facilitated brainstorming session, participation in public forums and workshops, visits to other localities, public input sessions, presentations by resource people and consultants, presentations by representatives from other localities, reviewing the Zoning and Subdivision Ordinances, legal review by the County Attorney, compilation of a comprehensive list of findings, support data, and recommendations from the discussion minutes and resource materials, creation of a list of working principles and assumptions, review, discussion and voting on each of the findings and recommendations, and ranking and prioritizing the final recommendations.

The average age of farmers in Augusta County is 57 years. With the realization that a majority of the farms in Augusta County will transfer ownership and management during the next several decades, the timeliness and significance of this effort became astounding. The members of the Agricultural Task Force commend the Augusta County Board of Supervisors for their vision and foresight and express appreciation for the opportunity given to the task force members to have an impact on preserving and promoting a strong agricultural economy over the next several decades.

While our effort was intense and dedicated, we recognize that it is only one more step in a continuing local effort to positively affect the local agricultural economy. The work of your Agricultural Task Force has resulted in 63 significant findings and 62 recommendations for implementation that will positively impact the agricultural economy in Augusta County over the next several decades. In order to assure that a strong agricultural economy is preserved, a tremendous amount of work remains to be done. During the initial brainstorming session your task force identified 31 threats (*Appendix C*) to our agricultural economy. **These threats are real and serious.**

We believe that there is not a single best way to deal with the threats. Instead, we recommend the use of a variety of tools and strategies (*Appendix G*) that can be implemented by creating an organized framework and establishing a permanent infrastructure to support the agricultural industry.

Table of Contents

Foreword	2
Table of Contents	3
Principles and Assumptions	4
Findings and Recommendations	
Section 1 – Agriculture Leadership	5
Section 2 – Succession of Farms	7
Section 3 – Agriculture Vitality	11
Section 4 – Competition for Agricultural Land	14
Section 5 – Ordinance Changes	17
Section 6 – Farmland Preservation	21
Section 7 – Taxation	24
Section 8 – Education	29
Section 9 – Agricultural Events	34
Section 10–Tradition and Heritage	36
Section 11–Nuisances to Agriculture	37
Section 12–Other Suggestions	39
Appendix	
Appendix A – Task Force Membership	
Appendix B – Minutes	
Appendix C – Ranked Threats to Agriculture Industry	
Appendix D – Ranked Resources to Explore	
Appendix E – Ranked Opportunities to Preserve and Promote Agriculture	
Appendix F – Ranked Action Options	
Appendix G – Ranked Strategies to Sustain Agriculture	
Appendix H – Sample Duties for the Director of Agriculture Development	
Appendix I – Contact Persons for Agricultural Program Coordinator and Position Titles	
Appendix J – Special and Permitted Uses in Agricultural Districts	
Appendix K – Augusta County PDR Program (Example Criteria/Ranking System)	
Appendix L – Augusta County Historical Sites	
Appendix M– Agri-Tourism Activities	
Appendix N – Table of Capital Investment Requirements for a \$50,000 Net Income	
Appendix O – 2002 Census of Agriculture - County Profile	
Appendix P – Existing Conditions Analysis, October 17, 2005	
Appendix Q – Agricultural Lot Creation and Rezoning Statistics	

Principles and Assumptions

- ☒ The purpose of the task force was to work towards preserving agriculture in Augusta County.
- ☒ Agriculture is the backbone of the Augusta County community.
- ☒ Intensive agriculture facilities are essential in order for the farmers to survive.
- ☒ Augusta County needs to preserve agriculture and promote it, as well.
- ☒ Development is putting pressure on agriculture.
- ☒ Farming activities take priority in areas zoned for agriculture use.
- ☒ A significantly high percentage of non-farm residents in Augusta are not familiar with the needs of the agricultural community.
- ☒ People moving into a farming community need to recognize that farming activities take precedence over residential use.
- ☒ People who are not familiar with farming activities need to be educated as to the expectations of a farming community.
- ☒ The primary key to assuring the future of a strong agricultural economy over the next several decades is to make farming profitable.
- ☒ Preserving green space does not mean that agriculture is being preserved.
- ☒ In order for farms to remain profitable, change must happen. Without change, agriculture will eventually give way to development pressure.
- ☒ Agricultural zones are designated primarily for agricultural development and preservation of land for agricultural use.
- ☒ Incentives are needed for farmers to voluntarily keep their land in agricultural use.
- ☒ Private property rights need to be respected and protected to the maximum extent possible.
- ☒ Whenever possible, voluntary incentives take precedence over ordinances and mandated policies.
- ☒ Farmers, developers, and landowners should not be allowed to create lots by using provisions in ordinances that are not intended for the subdivision of land.
- ☒ It should not be possible to create a subdivision in agricultural zoned land without applying for a rezoning. Any local ordinance that allows this to happen is a bad ordinance.

Section 1

Agriculture Leadership

Finding—Local Agriculture Advocacy

Farmers traditionally have been a private group that would prefer for government to leave them alone to enjoy and perform their profession. Active participation in legislative activities, industry promotions, public relations, and professional organization structures is limited. The result is an organizational void and the lack of an infrastructure for preserving and promoting agriculture.

- ☒ Augusta County has the second largest agricultural industry in Virginia with a gross annual product of \$143,914,000 and is without a Chief Executive Officer (CEO) to provide leadership and direction.
- ☒ The purpose of the Agricultural Extension Service is primarily education rather than administrative leadership.
- ☒ Several other localities with much smaller gross annual agricultural production have created structure and leadership positions for their agricultural industries. *(Appendix I)*
- ☒ Halifax County, Fauquier County, Isle of Wight County, Albemarle County, James City County, Loudoun County and the City of Virginia Beach have created agriculture leadership positions. *(Appendix I)*
- ☒ Halifax County has a \$38,000,000 agriculture industry and established an Agriculture Development Director in 2000 after an Agriculture Development Committee appointed by the Board of Supervisors recommended it. They report very positive results from this decision. *(Appendix I)*
- ☒ Virginia Beach City has a Department of Agriculture, which includes 18 city employees including three leadership and administrative positions that are not provided by Augusta County. These people coordinate agriculture programs including the Agricultural Reserve Program, Farmers' Markets, and other agricultural initiatives. *(Appendix I)*
- ☒ Rockingham County has failed to implement the recommendations from their Agriculture Task Force and is waiting for the agriculture community to create a volunteer advisory committee to provide leadership.

Recommendation—Establish Council and Director

Augusta County needs to establish an organizational framework to address and manage the problems identified by this task force on a current and ongoing basis. To do so, the County should establish an Agriculture Industry Council and Director of Agriculture Development. The Agriculture Industry Council should be comprised of individuals who are farmers or who work in agriculture related areas. The Augusta County Board of Supervisors should determine the number of members needed to effectively operate the council with its members appointed by the Board of Supervisors.

The Agriculture Industry Council should work at the discretion of and in concert with the Board to review issues related to the preservation and promotion of agriculture in Augusta County.

Augusta County should establish the Director of Agriculture Development as a full-time staff position. This individual will work with the Agriculture Industry Council to consider issues related to agriculture in the County. The Director of Agriculture Development will serve as the executive director of the Agriculture Industry Council which will function with a chairman and a vice chairman.

Recommendation—Clearly Defined Responsibilities

The responsibilities of the Director of Agriculture Development should be clearly defined as agricultural program administration, leadership, and advocacy and differentiated from the educational mission of the Virginia Cooperative Extension Service. (Appendix H)

Finding—Task Force Effectiveness

The Agricultural Task Force studied other counties that were trying to utilize an agricultural task force and they were not able to follow through with their recommendations, unless dedicated staff was provided.

Recommendation—Sustaining Agriculture on a Continuous Basis

The services of the Director of Agriculture Development will provide Augusta County farmers a resource to address questions and help with their needs. The Director will provide leadership and coordination for sustaining agriculture programs and for improving economic viability. (Appendix H)

Section 2

Succession of Farms

Finding—Farming Economics

In order to earn an annual income comparable to the average family income in Augusta County, a huge capital investment is required to farm.

- ☒ According to the 2000 U.S. Census, the median household income for Augusta County was \$43,045.
- ☒ The average farm expense to income was 76%.
- ☒ A farm has to generate over \$179,000 in gross sales to realize \$43,000 in net income. Therefore, a \$43,000 net income would equate to a beef cow/calf farm with approximately 320 beef cows, a dairy milking around 125 cows, or a turkey farm with 3 grower-houses. These farm size projections assume good to excellent management and are based on 10-year average prices in all three cases. The table below indicates capital investment required for these three types of operations.
- ☒ The table indicates the capital investment required to start-up a full-time farm. It is difficult for a person to leverage sums approaching \$1 million in order to pursue production in an industry with returns that have barely kept pace with inflation.
- ☒ There are very profitable farms in Augusta County. In a 2004 survey of 28 dairy farms in the Valley region, ten were capturing a net income per cow in excess of \$1,000 after all employees (except one operator) were paid.
- ☒ Many farms rely on rented land for at least some of their production capacity.

Asset	Beef Cow/ Calf Farm, 320 cows	Dairy Farm, 125 cows	Turkey Contract Grower, 3 houses
Equipment	\$70,000	\$160,000	\$40,000
Buildings	\$50,000	\$450,000	\$900,000
Livestock	\$281,000	\$325,000	\$0
Non Real Estate Total*	\$401,000	\$935,000	\$940,000
Real Estate (@\$2,959 / acre)*	3 acres per cow minimum: \$2.8 million	1.5 acres per cow: \$554,000	5 acres per house: \$44,300
Grand Total	\$3.2 million	\$1.4 million	\$984,000
(Source: 2002 Census of Agriculture)			

(Appendix O)

Finding—Farm Types

Farming is not just “get big or get out.” Small farms, lifestyle farms, and part-time farms collectively make major contributions to the gross annual agricultural receipts.

- ☒ Farming is not the primary occupation of 42.6% of Augusta County farmers.
- ☒ Out of 1,691 total farmers, 42.5% have total sales of \$4,999 or less per year (719 farms).
- ☒ Out of 1,691 total farmers, 30.2% have total sales of \$5,000 to \$24,999 per year (511 farms).
- ☒ Out of 1,691 total farmers, 12.8% have total sales of \$25,000 to \$99,999 per year (217 farms).
- ☒ Out of 1,691 total farmers, 14.4% have total sales of \$100,000 or more per year (244 farms).
- ☒ According to the 2002 census the average net cash income was \$26,721.
- ☒ Dr. David Kohl identified traditional family farms as typically generating gross income from \$100,000 to \$500,000. This definition describes 153 Augusta County farms.
- ☒ Dr. Kohl commented that the fate of traditional family farms over the next several decades can be described by a “30-30-30-10” rule. That is 30% will scale down to lifestyle or part-time farms, 30% will exit agriculture completely, 30% will stay the same size, and 10% will grow into large commodity farms.
- ☒ The percentages are based on 1,691 total farms and of these, the farms that fall into the respective “total value of sales” categories. Eighty-six farms fell into the \$100,000 - \$149,999 gross sales category and 67 fell into the \$250,000 - \$499,999 category.
- ☒ Hence, 153 Augusta County farms fit in the “traditional family farm category.”
(Sources: 2002 Census of Agriculture Augusta County Summary, <http://www.nass.usda.gov/census/census02/profiles/va/cp51015.PDF>; Mega Forces of Agriculture and Rural Communities, Dr. David M. Kohl, August 18, 2005)

Finding—Escalating Land Value

The market value of land has increased and reached a level that threatens agriculture. Land values are not based on agricultural production but development potential.

- ☒ The fair market value of all real estate (land and buildings) has increased.

Finding—Renting Versus Purchasing Land

Most farmers cannot afford to buy land for expansion and, therefore, many farms depend on rented real estate. (*Source: Mega Forces of Agriculture & Rural Communities, Dr. David M. Kohl, August 18, 2005*)

- ☒ The 2002 Agricultural Census provides some data on acres of farmland rented in Augusta County. Of the 1,691 farm operations in Augusta County, 580 (or 35.6 % of all farms) are dependent on rented land for over half of the acres they farm. The remaining farm operations (1,111) do not have any rented land. However, the census does not indicate the volume of sales by the farms dependent on rented land. It is reasonable to project that virtually all of the farms generating less than \$10,000 in gross sales own all their land and do not rent any. If we accept this projection, then that leaves 782 (1,691 – 909) farms that have gross sales of over \$10,000. Based on this group of larger farms we can say with reasonable certainty that 74% of these (580 /782) rent over half of the land they farm.

Finding—Land Available

A reduction in the amount of land available for agricultural production has created serious competition among farmers for land to purchase, rent and/or lease for the purpose of agricultural production.

- ☒ Land rental data from around the state indicates Augusta and Rockingham Counties have some of the highest farmland rental rates in the state. Southeast Virginia used to have some of the highest rates before the U.S. Peanut Quota System was phased-out in 2002. The amount of money farmers were willing to pay to rent cropland was significantly reduced.
- ☒ The presence of the poultry industry in the Valley has allowed many small farms (less than 100 acres) to remain economically viable full-time operations over the past 30 years. These farmers have sought rental land in order to pursue enterprises in addition to their poultry contracts such as dairying, beef cattle grazing, and commercial hay production. As a result, the competition for agricultural land to rent has remained higher in Augusta County relative to other parts of the state.

Finding—Aging Farmers

Augusta farmers are an aging group and death is reducing the number of active farmers. There is a supply of prospective future farmers but they do not possess the investment capital or credit rating to take over available farms.

Recommendation—Farm Succession Program

The County government should aggressively lobby for a State program that provides low or no interest capital grants and tax incentives for elderly farmers to pass their property along to prospective future farmers.

Recommendation—Investment Capital

A special focus group of farm capital lenders should be convened to study the issue of investment capital for generational farm transfer.

Recommendation—Public/Private Partnership

The local government should consider establishing a public/private partnership to create an investment capital incentive fund for prospective future farmers.

Recommendation—Tax Waiver Program

The local government should establish a local tax waiver program for young people entering the farming profession similar to the senior citizens tax waiver program.

Recommendation—Educational Programs for Non-Farm Landowners

The extension service and conservation groups should continue to provide educational programs for non-farm landowners with conservation easements on the benefits of long-term leases for prospective future farmers.

Recommendation—Mentorship Programs

The Extension Service and agricultural education leadership should be encouraged to enhance or create mentorship programs that place interested 4-H and FFA members on farms with veteran farmers who may not have heirs interested in continuing the farming operation.

Section 3

Agriculture Vitality

Finding—Investment Costs

The economic viability of farming in Augusta County is threatened by escalating capital investment costs, reduced profit margins, a limited labor supply, increased health insurance costs, and competition from incompatible natural resource uses.

- ☒ The 2002 Census reported 1691 total farms in Augusta County. (*Appendix O*)
- ☒ Gross annual agricultural receipts are \$143,914,000. (*Appendix O*)
- ☒ Total annual farm production costs are \$108,692,000. (*Appendix O*)
- ☒ Production expenses are 76% of the total income.
- ☒ Dr. David Kohl described the bright side of agriculture as including:
 - strong real estate values and cash rents,
 - low long-term interest rates,
 - strong livestock prices,
 - spotty grain prices,
 - many new lenders in the market,
 - hard asset financing, and
 - strong government support.
- ☒ Dr. Kohl described the dark side of agriculture as including:
 - increases in the cost of production due to oil,
 - high cost of investment due to steel and equipment,
 - uncontrollable medical coverage costs,
 - non-financial liquidity in the agricultural balance sheet,
 - unreliable government supports,
 - trade wars, and
 - rural issues creating lifestyle changes.

(Sources: Mega Forces of Agriculture & Rural Communities, Dr. David M. Kohl, August 18, 2005, Census Report)

Finding—Unpredictable Product Prices

The economic viability of the agricultural industry continues to be threatened by the flexibility, unpredictability, and fluidity of product prices.

- ☒ Market prices for many of the major commodities have not kept pace with inflation. These factors contribute to narrower margins and greater susceptibility to market volatility.
- ☒ Price volatility and the failure of commodity prices to keep pace with inflation put tremendous economic pressure on farms. The graph illustrates commodity prices measured by the Chicago Board of Trade and Chicago Mercantile Exchange over the years.



(Sources: *Agriculture Commodity Price Variability* at:
<http://www.ers.usda.gov/publications/agoutlook/oct1999/ao265g.pdf>)

- ☒ In this report, USDA price data is reviewed and the conclusion is that prices were more volatile in the period 1976 – 1997 than in the period 1950 – 1970.
- ☒ Prices for wheat, cattle, and other agricultural commodities have generally not kept pace with inflation. (Source: *Oklahoma Article*:
http://www.oksenate.gov/publications/overview_of_state_issues_2000/agriculture.pdf)

Finding—Agri-Tourism

Augusta County is rich with historic sites and scenic beauty and therefore has great potential for expanding Agri-Tourism. (Appendix M) (Source: *Augusta County Comprehensive Plan 2005-2025 Existing Conditions Analysis, October 17, 2005 – Appendix P*)

Finding—Agricultural Diversity

In Exclusive Agriculture zones, landowners are limited to certain land uses. The modern agricultural industry is changing and rapidly becoming more diverse, intensive, and specialty oriented. (Appendix J)

- ☒ Diverse agriculture enterprises include: agricultural entertainment (corn maze, crop art, pumpkin patch, riding trails, fee fishing, and fee hunting are examples)
- ☒ Agricultural tourism (bed and breakfast, camp sites, youth camp, farm vacation, and picking fruit/vegetables are examples)
- ☒ Agricultural events and festivals (music festivals, holiday celebrations, historical recreations, and cultural demonstrations are examples)

- ☒ Agricultural niche markets and specialties (farmers' markets, roadside produce stands, wine, honey, jams and jellies, and herbal/organic products are examples)
- ☒ Agricultural adult and youth education (organized tours, school groups, senior groups, church groups, tour groups, cheese, making demonstrations, nature programs, and Food for America programs are examples)

(Source: Augusta County Zoning Ordinance, Exclusive Agriculture Section, Division B, Article VIII, October 1, 1995)

Recommendation—Appropriate Permitted Uses in Exclusive Agriculture Zones

A study should be conducted to determine the appropriate permitted uses and restricted uses in Exclusive Agriculture zoning. Small business that benefit or complement the agricultural community should be permitted. Businesses that cause problems for the agricultural community should be restricted. (Appendix J)

Finding—Product Processing and Marketing

The establishment of several farmers' markets and a local produce auction has improved the prospects for marketing certain agricultural products. However, there is no permanent processing or marketing facility for meat products. Local livestock producers who sell retail products directly to the consumer are forced to ship livestock out of the area for processing.

- ☒ In order to sell individual retail cuts of meat, the animal from which the meat comes must be slaughtered at a federally inspected slaughter facility. There is only one federally inspected slaughter facility within 50 miles of Staunton and only 2 such facilities within 100 miles of Staunton. There is typically a 2 – 6 month wait in order to have an animal processed at either one of these facilities.
- ☒ State inspected slaughter facilities for people that wish to have animals processed for their own use are more numerous but there is still a wait of at least 2 – 4 weeks to have an animal processed at one of these facilities due to high demand.
- ☒ Currently, a group of interested farmers and community leaders are investigating the feasibility of building a small federally inspected slaughter facility in the McDowell area of Highland County which could help Augusta farmers that want to market meat products directly to consumers.

Recommendation—Marketing Leadership

The Director of Agriculture Development should provide leadership and coordination for new and existing markets of agricultural products. (Appendix H)

Recommendation—Meat Processing Facility

The economic development office should target and recruit a meat processing facility.

Section 4

Competition for Agricultural Land

Finding—Agricultural Land Loss

Productive land is being lost to agricultural production at an unacceptable rate.

- ☒ In the 2005 Comprehensive Plan Survey, 67% of respondents said “rapid development” is the worst problem facing Augusta County.
- ☒ In the 2005 Comprehensive Plan Survey, 59% of respondents said “loss of agricultural land” is the second worst problem facing Augusta County.
- ☒ In the 2005 Comprehensive Plan Survey, 65% of the respondents agreed that they would be willing to pay additional taxes to “protect agriculture and forestry.”
- ☒ In the 2005 Comprehensive Plan Survey, 65% of the respondents agreed that they would be willing to pay additional taxes to “create incentives for farmland preservation.” (Source: *Final Survey Results Memo, Jeremy Sharp, August 17, 2005*)
- ☒ Prime farmland soils are lost at twice the rate of less productive land.
- ☒ The USDA has a program called Farmland and Ranchland Protection Program with a 50% match for the purchase of development rights.
- ☒ The USDA also has the Grassland Reserve Program in which 100% is paid for the purchase of development rights. Land placed in this program can only be used for perennial forage crops used for grazing or hay. Row crops, trees, grapes, and any other crop that disturbs the soil cannot be grown on this land. Payments are based on the owners’ choice of a permanent easement and a 30, 20, 15, or 10 year contract period.
- ☒ In the USDA programs, most easements are worth 30% of the appraised value of the property. (Source: *USDA Program Participation in Augusta County*)

Recommendation—Development in Rural Conservation Areas

The Comprehensive Plan should be amended to establish a target of less than 5% of the development occurring in Rural Conservation Areas.

Recommendation—Development in Agricultural Conservation Areas

The Comprehensive Plan should be amended to establish a target of less than 2% of the development occurring in Agricultural Conservation Areas.

Finding—Escalating Lot Sizes in Agricultural Zones

The mean size of lots being created in agricultural zoning districts has generally increased over the last ten years while the median size has remained largely stable.

This means that there has been an increase in the number of very large lots being created. This trend is particularly noticeable in areas zoned Exclusive Agriculture.

- ☒ In 9 of the 10 years between 1995 and 2004 the median size of lots created in agricultural zoning districts has been between 2.546 and 3.010 acres.
- ☒ In the 8 of the 10 years between 1995 and 2004 the median size of lots created in Exclusive Agriculture zoning districts has been between 3.000 and 3.789 acres.
- ☒ The mean size of lots created in agricultural zoning districts between 1995 and 2004 has risen from 5.200 acres (for the period 1995 to 1997) to 6.713 acres (for the period 2002-2004).
- ☒ The mean size of lots created in Exclusive Agriculture zoning districts between 1995 and 2004 has risen from 6.127 acres (for the period 1995 to 1997) to 9.082 acres (for the period 2002-2004).

(Source: Agricultural Lot Creation and Rezoning Statistics – Appendix Q)

Recommendation—Maximum and Minimum Lot Sizes in Agricultural Zones

The County government should create an ordinance that creates a maximum residential lot size of 3 acres and a minimum lot size of 1 acre in agriculture zones.

Finding—Residential Construction Stability

The number of houses built in Augusta County each year has remained fairly stable over the past decade.

- ☒ There are between 400 and 500 new single-family dwellings constructed in Augusta County each year. *(Source: Augusta County Building Inspection Department, 2004 Annual Report)*
- ☒ Developers will construct this number of dwellings wherever they can get the lots, either in agricultural or residential districts.

Finding—Residential Sprawl

The spreading of residences into prime agricultural zones has reduced the availability of productive agriculture land in Augusta County.

- ☒ The data available from the USDA Census of Agriculture does not support this finding. However, this is due in part to the emergence of the “life-style farm” and its inclusion into the Department of Agriculture estimates of land in farms.
- ☒ A survey of Augusta County full-time farmers would likely reveal that there are fewer land parcels available for farming and that many fields that were once exclusively for agriculture production are now devoted to housing and/or lifestyle farms. Lifestyle farms can operate for profit but they generally do not manage land primarily for agricultural production like traditional full-time farmers.

Finding—Conversion of Farm Land

The pressure to convert land to uses incompatible with farming is increasing in Augusta County. *(Source: Agricultural Lot Creation and Rezoning Statistics - Appendix Q)*

Finding—Agricultural Zoned Land

The General and Exclusive Agriculture zones account for 93.7% of the land in Augusta County, which is 367,760 acres. *(Source: Augusta County Comprehensive Plan 2005-2025 Existing Conditions Analysis, October 17, 2005 – Appendix P)*

Recommendation—Reporting Lot Creation

Research should be done on the percentage of minor subdivision lots created in each policy area and each zoning classification each year, a report presented to the Board of Supervisors, and published in the appropriate media.

Section 5

Ordinance Changes

Finding—Comprehensive Plan Residential Development Targets Exceeded

Even with a Comprehensive Plan target of less than 20% (10% in each category) of residential development occurring in the Agricultural Conservation and the Rural Conservation policy areas, 23.4% of residential building permits for 2003-2004 were located in those areas and 49.3% of the building lots were created in agricultural zoning during 2004.

- ☒ 14.9% of residential building permits for 2003-2004 were located in the Agricultural Conservation Areas.
- ☒ 40.3% of new lots created in 2004 were created in General Agriculture zoning districts.
- ☒ 9% of new lots created in 2004 were created in Exclusive Agriculture zoning districts.

(Source: Augusta County Comprehensive Plan 2005-2025 Existing Conditions Analysis, October 17, 2005 – Appendix P)

Finding—Decline in Farm Acres

The total number of farm acres in Augusta County has declined during the last decade.

- ☒ In the 2005 Comprehensive Plan Survey, 74% of the respondents agreed that “when new housing is built, it should be located in and around existing communities.”
- ☒ In the 2005 Comprehensive Plan Survey, 69% of the respondents disagreed that “all landowners...should be free to build whatever they want, whenever they want.”
- ☒ In the 2005 Comprehensive Plan Survey, 71% of the respondents agreed that they “...would support higher densities, smaller lots, and flexible neighborhood design in designated areas to help protect agricultural and open space areas.”
- ☒ The revision of the Comprehensive Plan was ranked by the task force as the third Opportunity to Preserve and Promote Agriculture (*Appendix E*) in Augusta County.
- ☒ The 1994 Comprehensive Plan setup growth areas (Urban Service Areas) and agricultural preservation areas (Agricultural Conservation Areas).
- ☒ Agricultural Forestal Districts were set up that temporarily preserved 20,769 acres.
- ☒ Over the last couple of decades, the subdivision ordinance was changed to reduce the number of lots to be created per calendar year. *(Sources: Augusta County Comprehensive Plan 2005-2025 Existing Conditions Analysis, October 17, 2005)*

– Appendix P; Final Survey Results Memo, Jeremy Sharp, August 17, 2005;
Agricultural Lot Creation and Rezoning Statistics - Appendix Q)

Recommendation—Limit Residential Lots in Agricultural Zones

The Board of Supervisors should take the steps necessary to limit the number of residential lots created in agricultural zoned land, including:

- *Ordinance revisions to limit lots*
- *Revisions to the Family Member Exception ordinance*
- *Eliminating lot creation through Boundary Line Adjustments*
- *Requiring Special Use Permits for dwellings in agricultural zones*
- *Initiating reciprocal setbacks*

Recommendation—Lot Creation in Exclusive Agriculture

The Exclusive Agriculture zoning ordinance should be amended to allow one lot to be created every five years.

Recommendation—Lot Creation in General Agriculture

The General Agriculture zoning should be amended to allow one lot to be created every three years.

Finding—Family Member Exception

Developers and landowners are using family member exceptions for the purpose of creating lots when they could not otherwise be created.

- ☒ Under the Family Member Exception, 757 lots were created in the past ten years.
- ☒ The Family Member Exception was used to create 44% of the total lots created in the County.
- ☒ In the last ten years, 300 lots were given to the spouse, which is 39% of all Family Member Exception lots. (Source: *Agricultural Lot Creation and Rezoning Statistics – Appendix Q*)

Recommendation—Family Member Exception

The Family Member Exception should be limited to children only. Lots created for the purpose of providing family member housing should be required to remain in the ownership of the family member for a minimum of five years unless the family member dies. An affidavit shall be signed that the lot will be used for the children and not to circumvent the ordinance. An appeal process should be available for hardships.

Finding—Boundary Line Adjustment

Boundary line adjustments are being used for the purpose of lot creation without being counted toward the one lot per year limitation.

- ☒ During the 2004 calendar year, 161 boundary line adjustments were made and 136 of those were in agriculture zoning. There were 106 in General Agriculture and 30 in Exclusive Agriculture.
- ☒ Over the past 10 years, 20% of the boundary line adjustments have resulted in the creation of a new lot. *(Source: Agricultural Lot Creation and Rezoning Statistics – Appendix Q)*

Recommendation—Boundary Line Adjustment

All boundary line adjustments should count as a lot creation with the following two exceptions. When a small parcel of land is sold to an adjacent property owner and does not result in the creation of a new subdivision right; and when a parcel of land is sold to an adjacent property owner for agricultural use and is kept in an agricultural use for at least ten years. An affidavit shall be signed that the lot will remain in agricultural use.

Finding—Loopholes

There appears to be continuous creation of loopholes in the subdivision ordinance by enterprising developers who figure out a way to get more than one lot per calendar year in agricultural zoned districts.

- ☒ Example: Multiple boundary line adjustments are applied to contiguous parcels. Some parcels that were previously not eligible to be divided due to not having enough acreage are then eligible. A parcel that has .75 of an acre cannot be divided. A boundary line adjustment is done to make the lot 2 acres and then a division is done to split the lot right down the middle to create 2 separate lots. *(Source: Agricultural Lot Creation and Rezoning Statistics – Appendix Q)*

Recommendation—Closing Loopholes

Every time a new loophole is found in the ordinance and a lot is created in an agricultural zoning without a rezoning application, the Subdivision Ordinance should be amended to eliminate the problem.

Recommendation—Special Use Permits

The Exclusive Agriculture zoning should be amended to require a Special Use Permit for a dwelling and the dwelling must not be used as a rental. An affidavit should be signed stating that the dwelling will not be used as a rental.

Finding—Reciprocal Setbacks

The subdivision of land zoned for agriculture is not only reducing the quantity of land available for production but also increasing complaints about agricultural “nuisances” from non-farming residents who build dwellings too close to agricultural facilities.

- ☒ Over 1,000 acres per year are made into lots.
 - ☒ The median size of these new lots is 2.8 acres per lot.
 - ☒ In the last ten years, in General Agriculture 1,377 lots were created which total about 8,000 acres.
 - ☒ In Exclusive Agriculture, there were 335 lots created totaling about 3,000 acres.
- (Source: Agricultural Lot Creation and Rezoning Statistics – Appendix Q)*

Recommendation—Reciprocal Setbacks

Reciprocal setbacks should be implemented for single-family and multi-family housing located adjacent to Exclusive and General Agriculture zones.

Section 6

Farmland Preservation

Finding—PDR Programs Expanding throughout Virginia

The most rapidly expanding agricultural land preservation initiative in Virginia appears to be PDR programs.

- ☒ In May 2005, the Board of Supervisors allocated \$491,389 of the 2005-2006 budget to the establishment of a purchase of development rights program. (Source: *Augusta County Board of Supervisors Minutes, May 4, 2005*)

Recommendation—Establishing a PDR Program

Augusta County should establish a Purchase of Development Rights (PDR) program under the direction of the Director of Agriculture Development and with the leadership and discretion of the Agriculture Industry Council. PDR's should be made available to farming landowners in areas with Exclusive and General Agriculture zoning.

The Task Force strongly recommends the inclusion of Installment Purchase Agreements (IPA's) as part of the PDR program.

Augusta County should establish a dedicated and permanent source of funding at an appropriate level to sustain a viable PDR program.

The Agriculture Industry Council should make recommendations on criteria for a purchase of rights program.

Recommendation—PDR Selection Criteria

A point system should be established for ranking PDR applications. When ranking priority should be given to, but not necessarily limited to, the fulltime traditional family farms, intensive farming operations such as dairy and poultry, farms with prime soil types, farms in agricultural and forestal districts, farms in Exclusive Agriculture zones, protecting water sources, farms with professionally managed forests, farms that provide assurance that the land will remain in agricultural production, and farms that protect historical and cultural resources. (Appendix K)

Recommendation—Implementing the PDR Program

All of the ways that PDR's can be implemented should be explored, including "Conservation Lease Agreements" for 15, 20, and 40-year periods.

Recommendation—Private Sector Funding

The County should aggressively pursue legislation that permits the use of Transferable Development Rights as a private sector revenue source for the Purchase of Development Rights program.

Finding—Agricultural and Forestal Districts

Several Agricultural and Forestal Districts have been established voluntarily and temporarily preserve 20,769 acres of land for agricultural production. (Source: Augusta County Code: Chapter 3)

Recommendation—Incentives for Additional Agricultural and Forestal Districts

The county should add incentives to encourage the creation and support of additional Agricultural and Forestal Districts.

Recommendation—Agricultural and Forestal District Promotion and Coordination

The Director of Agriculture Development should promote the establishment of Agricultural and Forestal Districts and provide leadership and coordination for the district approval process.

Finding—Conservation Easements

Private foundations hold conservation easements in Augusta County.

- ☒ There are 51 conservation easements in Augusta County, which protect 7,726 acres of land used for agriculture, forestry, open space, and wildlife management. Of the 51 conservation easements, 46 or 90% protect agriculture and forest lands. The terms of conservation easements vary and are determined by the landowners' preferences and needs.
- ☒ Most easements are held by the Virginia Outdoors Foundation, a state agency. There are many that are “co-held” by two or more organizations. Private foundations hold some easements in Augusta County but virtually all of these are co-held with either the Virginia Outdoors Foundation or (in a few cases involving easements on streamside buffer areas) with the Headwaters Soil and Water Conservation District.

Finding—Building Lots on Eased Land

Many conservation easement agreements are being granted with numerous building lots.

Recommendation—Agricultural Production on Eased Land

The Director of Agriculture Development and Virginia Outdoors Foundation should work jointly to match landowners with conservation easements who want their land to remain in agriculture production with farmers who wish to lease land for farming practices. The Director of Agriculture Development and the Agriculture Industry Council should work cooperatively with the Virginia Cooperative Extension Service to provide education for landowners with conservation easements on their property detailing the importance of keeping their land in agriculture production.

Recommendation—Educational Programs on Conservation Easements

The Extension Service should provide farmers with educational programs on conservation easements and assist farmers to determine if the tax benefits are feasible for their operation or if selling tax credits would enhance their farming operation.

Recommendation—Conservation Easement Agreements

The Board of Supervisors should be encouraged to lobby for legislation for local control of conservation easement agreements.

Section 7

Taxation

Finding—Land Use Program Revalidation

Annual revalidation in the land use program is not required by the state. Localities have the option of revalidating from every year to every six years.

- ☒ The Commissioner of Revenue is interested in investigating a six year revalidation cycle. Instead of revalidating every year and paying a renewal fee every sixth year, landowners would be sent revalidation forms only on their six year renewal cycle. The savings realized by not renewing all parcels annually would allow the land use coordinator time to visit and audit, on a rotating schedule, the landowners seeking to qualify their farm operation.

Recommendation—Land Use Program Revalidation

Augusta County should adopt a six year revalidation plan.

Recommendation—Land Use Program Monitoring

The purpose of the land use tax program is to provide a higher degree of equity on the taxation of land used for agricultural purposes where the need for County services is limited. The land use tax program should be carefully monitored to assure that all land included in the program is being used for agricultural purposes. Open space that is not used for agriculture purposes should not be eligible for the land use tax program.

Recommendation—Sliding Scale Land Use Taxation Program

A Sliding Scale Land Use Taxation program should be initiated on a voluntary basis in agricultural zones. The Director of Agriculture Development should coordinate the program and maintain documentation that a clear explanation of the program has been provided to the farmer. Time limits for voluntarily agreeing not to develop should be similar to those currently used in agricultural districts. The sliding scale should benefit farmers in agricultural zones to the maximum extent allowed by the law.

Finding—Rollback Taxes

When five to ten acre lots are created in an agricultural zoned, district it is difficult for the Commissioner's Office to collect land use and rollback taxes on the property.

- ☒ When a landowner subdivides a large parcel into smaller lots, which meet the minimum acreage requirements individually, they can still qualify the smaller lots

as long as they continue in a qualifying use. Generally it is the intent of the subdivision to sell the land or use it in a non-qualifying way. When the use changes, the Commissioner's office rolls back the difference between the land use value and the fair market value for the current year and five previous years. The most difficult part of this type of transaction is the situation in which someone with the intent to develop it into small parcels purchases the land and he/she continues to sign it up in the land use program through a renter. As the parcels are sold and developed, they are removed from the program piecemeal.

Finding—Revenue and Service Cost Information

The Board of Supervisors is faced with making critical decisions concerning sustaining agriculture programs, such as repealing the farm machinery tax, establishing a purchase of development rights program, considering a sliding scale land use taxation system, considering a sliding scale zoning, creating an agricultural program coordinator, and many other issues without essential revenue and service cost information.

- ☒ Sliding Scale Zoning was the second highest-ranking strategy for preserving agriculture by the task force.
- ☒ The Augusta County farm machinery tax exemption was extended to include "farm machinery, implements and equipment" in September 2004. *(Source: Augusta County Board of Supervisors Minutes, September 22, 2004)*

Finding—Accounting of Tax Revenue by Farm and Non-Farm Households

An accounting of tax revenue collected from farm and non-farm households is either not available or not published by the Commissioner of Revenue's Office.

- ☒ The fair market value assessed for every parcel is broken out by individual components within the real estate assessment software.
- ☒ This system then aggregates a total for all structures and a total for all land.
- ☒ Subtotals for farm and non-farm households are not maintained.
- ☒ Many taxpayers file directly to Richmond or electronically through the federal and state systems. The information is literally not available in the local offices.

Finding—Accounting of Revenue by Category

An accounting of local tax revenue by source is not available from the Director of Finance's office. Local revenue is listed as property taxes, which includes real estate taxes (land, improvements, residential, farm buildings, business buildings, etc.), personal property tax, penalties, interest, and car tax payments from the state.

Recommendation—Account for Tax Revenue by Category and Source

An accounting of local tax revenue by source should be maintained by the Commissioner of Revenue's office and provided to the Director of Finance's office for the purpose of making sustaining agriculture decisions. Revenue categories should include land use tax revenue, non-land use tax revenue, farm residential tax revenue, non-farm residential tax revenue, farm building tax revenue, business building tax revenue, farm vehicle tax revenue, non-farm vehicle tax revenue, car tax payments on farm vehicles from the state, car tax payments on non-farm vehicles from the state, and other categories necessary to clearly establish an accounting of farm revenue versus non-farm revenue.

Finding—County Revenue Generated by Agriculture is not Common Knowledge

The public perception of agriculture is not as positive as it should be based on the significant revenue contributions made by agriculture and the positive impact that farming has on the County budget. Agriculture produces a disproportionately high share of the County revenue compared to residences and uses a disproportionately low share of the cost for services. (Source: 2006-2007 County Budget)

- ☒ For every dollar in taxes paid, government spends \$1.16 for residential development, \$0.27 for commercial and industrial development, and \$0.87 for farm and forest properties. (Source: Land Use And Community Values In Augusta County, Virginia, Valley Conservation Council, May 13, 1997, Page 24)

Recommendation—Conduct Routine Cost-of-Services Studies

Augusta County should conduct a cost-of-services versus revenue-collected study to compare farm and non-farm households at least every five years.

Finding—Real Estate Tax System is a Deterrent

The real estate tax system is a deterrent to sustaining a viable agricultural economy. While a low tax rate is essential to maintaining agricultural production, a low tax rate also encourages competitive uses such as residential development.

Recommendation—Real Estate Tax System Should be Replaced

The local government should continue to vigorously lobby to replace the real estate tax with a local income or sales tax.

Recommendation—Inform the Citizens

The County government and staff needs to keep reminding citizens that residential development is a net loss to County finances while farm households are a net gain for County finances. More residential development and fewer farms will cause tax rate increases.

Recommendation—Obtain Fiscal Impact Tools

Augusta County should obtain fiscal impact tools that will project the cost for services of each rezoning.

Finding—Property Tax Collected

Property tax collected by Augusta County over the past five years is as follows.

- ☒ \$35,246,000 in 2004-05 (proposed)
- ☒ \$34,716,000 in 2003-04
- ☒ \$33,641,000 in 2002-03
- ☒ \$32,771,000 in 2001-02
- ☒ \$29,996,219 in 2000-01

Finding—Residences and Barns Taxed at the Same Rate

All real property is put into a classification for real estate tax purposes. Residences, farm buildings, business buildings, and storage buildings are all in the same class and must be taxed at the same rate by localities. To have different tax rates for different types of buildings would require a change in the Code of Virginia.

- ☒ All buildings are assessed according to the fair market value of the building. For example, a 3,000 square foot house is not assessed at the same rate as a 3,000 square foot farm building. The difference is accounted for in the assessment system by determining the highest and best use.

Recommendation—Farm Building Assessments

A study should be conducted to determine if farm buildings are being assessed fairly.

Recommendation—Lobby for Shifting the Tax Burden toward Residences

The local government should continue to vigorously lobby for a revision of the real estate tax code that would place the tax burden more appropriately on residences because residences house people and services are provided to people and not to farm animals or machinery.

Finding—Estate Taxes

Estate taxes that must be paid when farms are inherited by the younger generation often force the sale of farms that would otherwise continue in agriculture production. *(Source: Federal Tax Law)*

Recommendation—Offer Estate Planning Workshops

The Extension Service should continue to offer programs and workshops on farm estate planning and farm succession.

Section 8

Education

Finding—Agricultural Support Service Organizations

Augusta County is fortunate to have a full range of education and support services available in the area.

- ☒ Farm Bureau Federation
- ☒ Chamber of Commerce
- ☒ Valley Conservation Council
- ☒ Extension Service
- ☒ 4H
- ☒ FFA
- ☒ Young Farmers
- ☒ Augusta Community Partnership
- ☒ Fair Board
- ☒ Staunton/Augusta Farmers' Market
- ☒ Headwaters Soil and Water Conservation District
- ☒ United States Department of Agriculture
- ☒ Virginia Department of Agricultural and Consumer Services
- ☒ Natural Resources Conservation Service

Finding—State and Federal Agencies

Federal programs contribute significant revenue to agriculture production in Augusta County.

- ☒ In the year 2004, the USDA paid \$3,812,776 to the farmers in Augusta County who participated in USDA programs.
- ☒ Farm Service Agency
- ☒ Natural Resource Conservation Service
- ☒ Shenandoah Resource Conservation & Development
- ☒ Rural Development
- ☒ Forest Service
- ☒ Plant and Animal Health
- ☒ Agriculture Research Service
- ☒ Food stamps
- ☒ WIC, school lunches, etc.

Finding—Advanced Technology

The rapid expansion of advanced technology has positively impacted the efficiency of agricultural production in Augusta County. Traditionally, farmers have adapted quickly by incorporating new technologies and best management practices. The result is a continuous and acute need for continuing education, in-service training, demonstration plots, research farms, field days, adult education, forums, workshops, extension service support, agricultural education, professional consultants, and a host of other support services.

- ☒ In 1995, there were no genetically modified soybeans or corn planted in Augusta County. In 2005, over 65% of the corn and soybeans planted in Augusta County were genetically modified. This is just one example of rapidly changing technology and its impact on local agriculture.

Finding—Reduced Agriculture Education Enrollments

Competition from increased academic graduation requirements, changes in class scheduling, and emphasis on standardized testing requirements has taken a toll on participation in agricultural education provided by the public schools.

- ☒ High School Agricultural Education enrollments have dropped by more than 82% in the last seven years.
- ☒ Enrollment in Agriculture Education in Augusta County high schools

Year	Males	Females	Total
1997-1998	660	137	797
1998-1999	484	111	595
1999-2000	589	136	725
2000-2001	515	137	652
2001-2002	399	111	510
2002-2003	418	129	547
2003-2004	513	160	673
2004-2005	311	126	437

(Source: Jennifer Groh, Curriculum Supervisor for Vocational Education, Augusta County Schools)

Finding—The Non-Farming Public Education Void

A void exists in Augusta County's ability to educate the non-farming public on the importance of the agricultural industry to the local economy (tax rate), quality of life, balance of economic resources, and public welfare.

Finding—Unchallenged Misrepresentation

The inaccurate use of data and statistics in the media through opinion editorials and other media releases has often gone unchallenged due to the lack of a spokesperson for the farming community.

Finding—Public Perception

Intensive agriculture practices, which are essential for efficient and competitive agricultural production, are targeted for criticism by animal rights groups and nonagricultural residents who prefer pristine views to huge agricultural buildings.

Finding—Appreciation of Agriculture by the Non-Farming Community

While criticisms of agricultural nuisances, intensive agricultural practices, and so-called tax breaks for farmers exist, non-farm residents continue to demonstrate a strong appreciation for the agricultural industry.

- ☒ In the 2005 Comprehensive Plan Survey, 62% of respondents said “scenic beauty” is one of the three best things about living in Augusta County and picturesque farms contribute favorably to Augusta’s beauty.
- ☒ In the 2005 Comprehensive Plan Survey, 34% of respondents said “low/moderate taxes” is one of the three best things about living in Augusta County (the fourth-most selected response) and farm families contribute a disproportionately larger amount to County revenue than non-farm families.
- ☒ In the 2005 Comprehensive Plan Survey, 29% of respondents said “strong agriculture” is one of the three best things about living in Augusta County. This was the fifth-most selected response. *(Source: Final Survey Results Memo, Jeremy Sharp, August 17, 2005)*

Finding—Conserving Natural Resources

Agriculture is a target of environmentalists, however, Augusta County farmers are exceeding acceptable conservation practices.

- ☒ All of the land area in Augusta County is in the Chesapeake Bay Watershed.
- ☒ Since 1975, Augusta County farmers have worked in cooperation with state and federal agencies to implement many exemplary conservation practices.
- ☒ Collectively, they have installed 139 agricultural waste facilities that manage 104,500 tons of animal waste per year.
- ☒ Conservation cropping systems have been applied on 10,000 acres per year, saving 4,000 tons of soil annually.
- ☒ Rotational grazing systems have been implemented on over 3,000 acres of pasture per year, saving 6,000 tons of soil per year.

- ☒ Buffers that filter nutrients and exclude livestock have been created on 2,966 streamside acres covering 201 miles of stream bank and thereby protecting water quality. In these buffer areas, farmers have planted over 200,000 hardwood trees.
- ☒ Nutrient management plans have been developed for 41,775 acres of farmland.
- ☒ All totaled, these practices keep 12,020 tons of soil out of our streams every year. These conservation practices also keep 1,321 tons of nitrogen and 990 tons of phosphorus out of our streams on an annual basis. *(Source: The Headwaters Soil and Water Conservation District Summary of Conservation Activities on Augusta County Farms Over the Past 30 Years.)*

Recommendation—Educating the Non-Farm Public

The Agriculture Industry Council should design, publish, and distribute educational brochures and fact sheets that educate the non-farm public on agricultural production and conservation practices.

Recommendation—Lead Agency for Delivering Educational Information

Augusta County should continue to consider the Virginia Cooperative Extension Service as the lead agency for delivering educational information related to agriculture and rural societal issues.

Recommendation—Priority Educational Programming

The Virginia Cooperative Extension Service should increase and emphasize educational programming related to: Developing Farm Succession Plans, Management of “Green Space” to Yield Long-Run Agricultural Production Benefits, Horse Production and Management, Nursery and Greenhouse Production and Management, Diversification and Specialty Markets, Creating and Marketing Agricultural Tourism Enterprises, and Developing Professional Forest Management Plans for Better Economic Values.

Recommendation—Board Support for Agriculture Education and Youth Programs

The School Board and Board of Supervisors should vigorously support agriculture education and youth programs. New and innovative programs should be implemented that would encourage young people to develop entrepreneurship skills, learn from mentors in the agri-business community, and create new and diverse agriculture enterprises in areas like agri-entertainment and agri-tourism, and niche specialty markets.

Recommendation—State and Federal Program Management

The Agriculture Industry Council should make recommendations about which state and federal agriculture management, conservation, and preservation programs should be implemented in Augusta County.

Recommendation—Community Development and Planning Curriculums

The County government should encourage colleges and universities to include coursework on rural planning and agricultural development in community development and planning curriculums.

Recommendation—Public Information on County Revenue

Tax facts and other information that present an accurate perception of County revenue contributed by the agricultural industry should be broadcast to the public by the County government staff.

Recommendation—Proactive Media Releases

The Director of Agriculture Development should be proactive with media releases that rebut inaccurate public opinions of agriculture and other local governmental issues. (Appendix H)

Recommendation—Consensus Building

The agriculture support agencies and organizations should work with the Agriculture Industry Council to build consensus on major agricultural issues.

Recommendation—Watershed Survey

The Director of Agriculture Development should survey our watersheds in cooperation with the Headwaters Soil and Water Conservation District and recommend development limits based on the natural resources available. (Appendix H)

Section 9

Agricultural Events

Finding—Market Animal Show and Augusta County Agricultural Fair

The Market Animal Show and Augusta County Agricultural Fair continue to provide an educational opportunity for the non-farm community.

- ☒ Two countywide agricultural events that are held annually in Augusta County are the Market Animal Show in May and the Augusta County Fair held in August.
- ☒ The Market Animal Show is in its 61st year and enjoys significant support from the Hewitt family, local businesses, Augusta County's school system, Extension service, and a number of civic groups including Ruritan, Rotary, and Chambers of Commerce from across the County. It is the largest show of its kind east of the Mississippi River.
- ☒ The Market Animal Show provides local youth the opportunity to be involved in agriculture. Livestock project work gives youth the opportunity to explore career possibilities in agriculture.
- ☒ The Augusta County Fair was re-started in 1995 and its livestock exhibition is not as large as the Market Animal Show. Numerous businesses and individuals support the fair, which operates on a volunteer basis.

Recommendation—Support for the Fair Organization

The Director of Agriculture Development and the Agriculture Industry Council should provide support for the fair organization to help build on the success of this important agriculture event in Augusta County.

Finding—Other Significant Agricultural Events

There are numerous statewide agricultural events held throughout the state that draw attendance and participation from Virginia and other Mid-Atlantic states.

- ☒ Virginia Beef Expo
- ☒ Virginia Cattleman's Convention
- ☒ VA-NC Shepherd's Symposium
- ☒ Breeders Shows
- ☒ VA State Dairymen's Convention
- ☒ Numerous Special Breed Livestock Shows
- ☒ Virginia Agriculture Expo
- ☒ Eastern Stud Ram Show and Sale
- ☒ Virginia Farm Show
- ☒ Jackpot steer and lamb shows
- ☒ Annual Purebred Dairy Cattle Association Show

- ☒ Virginia Holstein Sale of Stars
- ☒ Northern District Youth Dairy Show

Finding—No Appropriate Facility

A facility does not exist in Augusta County that properly affords the agriculture community and a center for educating the public about agriculture. Lack of such a facility also pre-empts the potential for hosting statewide and countywide agriculture events in Augusta County.

Finding—Location of Virginia Horse Center Benefits Augusta County

The Virginia Horse Center's proximity to Augusta County benefits the County's economy and agricultural interests. The Center is important to Virginia's equine industry and the equine industry in Augusta County, which is one of the County's fastest growing agricultural commodities.

Section 10

Tradition and Heritage

Finding—Strong Agricultural Tradition

Agricultural production in Augusta County has traditionally been strong and has been a trademark of the central Shenandoah Valley for many years.

- ☒ Currently 93.7% of land in Augusta County is still zoned for agricultural use.
(Source: Augusta County Comprehensive Plan 2005-2025 Existing Conditions Analysis, October 17, 2005 – Appendix P)

Finding—Strong Historical Heritage

Agriculture land in Augusta County has traditionally provided protection for many historical sites and structures. Unfortunately, development and residential sprawl have resulted in the loss or pollution of valuable historical amenities. *(Appendix L)*
(Source: Augusta County Comprehensive Plan 2005-2025 Existing Conditions Analysis, October 17, 2005 – Appendix P)

Recommendation—Historical Structure Inventory

The County government, working through the Director of Agriculture Development, should identify historical and archeological sites located in General and Exclusive Agriculture zones and construct an inventory along with the names and contact information for the landowners.

Recommendation—State and National Registry

Landowners should be sent the Preliminary Information Form along with an invitation to voluntary apply for the state and national registry.

Section 11

Nuisances to Agriculture

Finding—Agricultural Nuisances

The escalation of residential development in agricultural zones and the growing size of more efficient farm equipment have resulted in conflict on rural highways between large, slow farm equipment, and residential traffic.

Recommendation—Preserving Highway Right-of-way Land

The County government should assure that the preservation of agricultural land is given a high priority when negotiating the design of secondary, primary, and interstate road improvement plans.

Finding—Devastating Diseases

A host of potentially devastating diseases, such as Avian Influenza, Hoof & Mouth Disease, and Bovine Spongiform Encephalopathy (BSE or Mad Cow Disease) threaten catastrophic loss.

- ☒ In an increasingly mobile society, there is a greater risk of disease pathogens moving quickly from one region of the world to another.
- ☒ The Hoof and Mouth Disease outbreak in England in the spring of 2001 resulted in approximately 2,030 confirmed cases of the disease, more than 6 million animals were slaughtered in order to isolate and control the outbreak, and strict restrictions on access to the countryside had to be imposed.
- ☒ Low Pathogenic Avian Influenza (LPAI) made 2002 one of the toughest years ever for Virginia's poultry industry. Between March and July, Virginia's State Veterinarian quarantined 197 Shenandoah Valley poultry farms and ordered the destruction of 4.7 million turkeys and chickens. While LPAI posed no human health or food safety concerns, it was economically devastating to farmers and poultry processing companies. State and federal indemnity payments were the only thing that kept some farms solvent.
- ☒ The discovery of one case of Bovine Spongiform Encephalopathy (BSE, a.k.a. "mad cow") in Washington state sent a shock wave of panic through the beef market in January of 2004 resulting in a 30% price drop in local feeder cattle prices in less than a week. While the market recovered, this event illustrated how susceptible our local markets are to seemingly distant and unrelated events.

Finding—Weather

Farmers have always been at the mercy of severe and unpredictable weather conditions but escalating capital investment requirements and shrinking profit margins have increased the impact of weather conditions in recent years.

- ☒ Our local markets are influenced more by weather in the Midwest, Brazil, and some other parts of the world than in years past due to the increased importance of export markets for our agriculture products. *(Source: “Climate Advisory” written periodically by State Climatologist, Dr. Pat Michaels. <http://www.climate.virginia.edu>)*

Finding—Predators

Augusta County is the number one beef cow/calf-producing County and the number one sheep-producing County in Virginia and predators such as coyotes, vultures, and free ranging dogs are a major threat to profitable livestock production.

Recommendation—Predator Control Program

The County government should implement an effective predator control program and monitor its effectiveness.

Finding—Worldwide Issues

The threat of terrorist activity against our nation and specifically the agricultural industry is real and it must be mentioned as a serious threat in this report.

- ☒ Diseases could be intentionally introduced to farm animals by terrorists. Our proximity to Washington D.C. and the “publicity seeking” aspect of most acts of terrorism makes this issue a very real cause for concern in the Shenandoah Valley.

Section 12

Other Suggestions

Finding—Fencing

When landowners who have been producing livestock and maintaining fences in adjacent fields subdivide their property for non-farm residential housing, they create an inequitable expense for their neighbors who are still producing livestock. Instead of maintaining approximately one half of boundary line fences, farmers suddenly find that they are responsible for all boundary line fences.

- ☒ Adjoining landowners shall build and maintain, at their joint and equal expense, division fences between their lands, unless one of them shall choose to let his land lie open or unless they shall otherwise agree between themselves. No adjoining landowner who owns or otherwise controls livestock as defined in § [55-306](#) may choose to let his land lie open unless he can show by a preponderance of the evidence that those livestock are restrained from trespass or otherwise running at large by a means other than a division fence established pursuant to this article. (Source: *Selection from the Code of Virginia: § [55-317](#). Obligation to Provide Division Fences*)
- ☒ Prior to the 2005 session of the General Assembly, non-farming homeowners on subdivided land adjoining farms could not elect to let their land lie open. In 2005, the General Assembly eliminated some wording from Code of Virginia § [55-317](#) and thereby made it possible for homeowners to elect to “let their land lie open,” absolving them of any responsibility to help build or maintain boundary fences so long as they do not benefit from the fence.

Recommendation—Fence Out County

Augusta County should become a fence out County.

Finding—Farm Labor

Traditionally Augusta County has enjoyed a relatively low unemployment rate and the competition for labor is keen within the agricultural community resulting in a shortage of affordable labor. (Source: *Virginia Employment Commission, Employment Data for August, 2005*)

- ☒ Any locality that has established an agricultural or forestal district, a locally designated agricultural enterprise zone, or a purchase of development rights program to extinguish nonagricultural uses may make written application.

- ☒ Qualified farm businesses located in such zones may apply to the Department of Agriculture and Consumer Services for certain state business tax credits and sales tax exemptions.
- ☒ Qualified agricultural businesses and qualified farm businesses may apply for agricultural enterprise grants to implement new business plans developed through the Virginia Agricultural Enterprise Program for up to 50 percent of the associated costs, not to exceed \$500,000.

Recommendation—Agricultural Enterprise District

The local government should make written application to the Virginia Department of Agriculture and Consumer Services to have an Agricultural Enterprise District designated for all land in an agricultural zoning district or designated as an Agricultural or Forestal District.

Finding—Biotechnology

The emerging and expanding field of biotechnology has made significant contributions to agricultural production. Future innovations are expected to be significant but public perception may limit its potential.

Finding—Health Insurance

Farmers must purchase health insurance as individuals and do not have the advantage of the group rates enjoyed by employees of larger organizations.

Recommendation—Group Health Insurance

The Agriculture Industrial Council should explore the feasibility of offering the purchase of group health insurance for Augusta County farmers.